

Sec. 2. EDUCATION FUND DEFICIT; REPAYMENT

If a deficit in the Education Fund is projected or created for fiscal year 2021, it is the intent of the General Assembly to address the deficit as follows:

- (1) using federal funds to the greatest extent possible;
- (2) applying reversions;
- (3) drawing down the stabilization reserve;
- (4) using other sources of revenue;
- (5) reducing costs;
- (6) borrowing pursuant to Sec. 3 of this act; and
- (7) using any other source of funding, including making appropriations from the General Fund or other funds.

Sec. 3. INTERFUND LOANS; BORROWING; STATE TREASURER

(a) If a deficit in the Education Fund is projected or created pursuant to Sec. 2 of this act, after consideration of all other sources of funding, it is the intent of the General Assembly to authorize appropriation of sufficient revenue to repay interfund loans and borrowing.

(b) Notwithstanding any provision of law to the contrary, the State Treasurer may use interfund loans from the General Fund and any other form of borrowing authorized under Vermont law for the purpose of making payments into the Education Fund as one means to address a deficit incurred pursuant to Sec. 2 of this act. Monies loaned or transferred under this section shall be identified and used exclusively for the purposes of addressing any Education Fund deficit. Monies loaned or transferred under this section shall be repaid on or before June 30, 2026.